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August 6, 2004

Mary L. Cottrell, Secretary  
Department of Telecommunications and Energy  
One South Station, 2<sup>nd</sup> Floor  
Boston, MA 02110

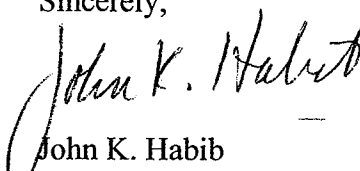
RE: Investigation Regarding the Assignment of Interstate Pipeline Capacity Pursuant to D.T.E. 98-32-B, D.T.E. 04-1

Dear Ms. Cottrell:

Please find attached the responses of NSTAR Gas Company (the "Company") to the information requests of the Department of Telecommunications and Energy (the "Department") in the above-referenced proceeding listed on the accompanying page.

If you have any questions regarding this filing, please do not hesitate to contact me.

Sincerely,

  
John K. Habib

Enclosures

cc: Service List  
James Daly  
Kerry Britland  
Tam Ly

**Responses to Information Requests Filed Herewith**

DTE-4-1  
DTE-1-6 (Supp)  
NSTAR-2 (Supp)

Information Request DTE-4-1

For the time period 2001 through 2004, please provide peak and off-peak variances between forecasted and actual usage for non-daily metered customers.

Response

Please see Attachment DTE-4-1.

Forecast Variances for Non Daily Metered Customers					
DATE		Forecast Amount (therms)		Actual Usage (therms)	Percentage Variance
Nov 01 - Apr 02		21,012,077		21,247,859	-1.12%
May 02 - Oct 02		8,505,407		8,432,234	0.86%
Nov 02 - Apr 03		23,305,304		23,622,684	-1.36%
May 03 - Oct 03		7,496,983		7,465,274	0.42%
Nov 03 - Apr 04		22,176,901		22,939,165	-3.44%

Information Request DTE-LDC-1-6

Please provide information on reverse migration experienced by the Company during the period 1996-present on a seasonal basis (heating and non-heating seasons) as depicted in attached Table 2: "Reverse Migration"

Supplemental Response

The Company has not tracked specific individual customer data on data on "reverse migration". However, the Company has performed a detailed, customized analysis of customer billing data from the past two years. It indicated that there were 1,734 customer switches of suppliers, including switches from NSTAR Gas to alternative suppliers, from alternative suppliers to NSTAR Gas (reverse migration), and from one supplier to another supplier. The following table provides the breakdown of customer switches by season.

Table DTE-LDC-1-6  
NSTAR Customer Supplier Switches in the Past Two Years

	Summer	Winter	Total
From NSTAR to Supplier	219	278	497
From Supplier to NSTAR	411	147	558
From Supplier to Another Supplier	<u>513</u>	<u>166</u>	<u>679</u>
Total	1,143	591	1,734

Information Request DTE-NSTAR-1-2

Refer to NSTAR initial comments at 3. Please provide evidence that transportation levels increased after implementation of mandatory capacity assignment (Appendix C only indicates data for years 2001-2003).

Response

The following table revises Appendix C by providing information for the year 2000.

**NSTAR Gas Company Transportation Totals**

Updated  
Appendix C  
Page 1 of 2

<u>Month</u>	<u>Total Throughput (Kendall Excluded)</u>	<u>Transportation Load (MMBtu) (Kendall Excluded)</u>	<u>Transptn. % of Total Throughput</u>	<u># Transportation Customers</u>	<u># Sales Customers</u>	<u>Transptn. % of Total Customers</u>	<u># of Suppliers</u>
Jan-00	8,445,105	1,325,996	16%	732	243,018	0.30%	17
Feb-00	6,671,150	1,229,956	18%	740	243,465	0.30%	16
Mar-00	5,302,211	1,307,835	25%	748	243,509	0.31%	16
Apr-00	4,252,708	1,105,278	26%	752	243,307	0.31%	16
May-00	2,586,041	947,548	37%	762	243,044	0.31%	15
Jun-00	1,981,161	816,062	41%	756	242,772	0.31%	15
Jul-00	1,753,862	731,999	42%	750	242,245	0.31%	14
Aug-00	1,876,449	828,445	44%	749	241,879	0.31%	14
Sep-00	2,005,687	766,284	38%	748	242,167	0.31%	15
Oct-00	3,348,269	940,168	28%	749	242,876	0.31%	14
Nov-00	5,010,016	1,118,449	22%	749	244,091	0.31%	14
Dec-00	7,933,277	1,218,993	15%	735	254,197	0.29%	11
<b>Total /Ave 2000</b>	<b>51,165,936</b>	<b>12,337,013</b>	<b>24%</b>	<b>748</b>	<b>243,881</b>	<b>0.31%</b>	
Jan-01	7,766,860	1,241,834	16%	763	245,811	0.31%	11
Feb-01	6,712,860	1,120,054	17%	762	246,005	0.31%	10
Mar-01	6,432,300	1,124,807	17%	874	245,992	0.35%	10
Apr-01	3,720,286	844,476	23%	969	248,083	0.39%	10
May-01	2,234,973	717,224	32%	1,025	247,709	0.41%	10
Jun-01	1,736,100	647,679	37%	1,084	247,242	0.44%	10
Jul-01	1,695,587	673,330	40%	1,166	246,269	0.47%	10
Aug-01	1,760,792	819,208	47%	1,202	244,767	0.49%	10
Sep-01	1,893,659	810,027	43%	1,242	242,574	0.51%	10
Oct-01	3,029,731	1,029,658	34%	1,297	229,266	0.56%	10
Nov-01	4,039,064	1,107,545	27%	1,468	229,910	0.63%	10
Dec-01	5,816,184	1,236,621	21%	1,521	230,594	0.66%	10
<b>Total 2001</b>	<b>46,838,396</b>	<b>11,372,463</b>	<b>24%</b>	<b>1,114</b>	<b>242,019</b>	<b>0.46%</b>	

**NSTAR Gas Company Transportation Totals**

<u>Month</u>	<u>Total Throughput (Kendall Excluded)</u>	<u>Transportation Load (MMBtu) (Kendall Excluded)</u>	<u>Transptn. % of Total Throughput</u>	<u># Transportation Customers</u>	<u># Sales Customers</u>	<u>Transptn. % of Total Customers</u>	<u># of Suppliers</u>
Jan-02	6,645,822	1,394,338	21%	1,540	246,033	0.62%	9
Feb-02	5,967,737	1,284,879	22%	1,553	246,326	0.63%	9
Mar-02	5,768,017	1,434,776	25%	1,572	246,311	0.63%	9
Apr-02	3,829,239	1,214,396	32%	1,569	246,125	0.63%	9
May-02	2,811,016	1,025,216	36%	1,539	245,894	0.62%	9
Jun-02	1,989,332	855,814	43%	1,557	245,496	0.63%	9
Jul-02	1,718,245	782,615	46%	1,531	244,892	0.62%	9
Aug-02	2,095,553	818,797	39%	1,510	244,425	0.61%	8
Sep-02	1,927,623	875,810	45%	1,506	244,693	0.61%	8
Oct-02	3,611,418	1,133,506	31%	1,460	245,439	0.59%	8
Nov-02	5,308,610	1,213,997	23%	1,429	247,032	0.58%	9
Dec-02	7,385,648	1,385,071	18%	1,424	248,411	0.57%	9
<b>Total 2002</b>	<b>49,078,260</b>	<b>13,370,215</b>	<b>27%</b>	<b>1,516</b>	<b>245,923</b>	<b>0.61%</b>	
Jan-03	9,256,092	1,569,445	17%	1,428	249,047	0.57%	9
Feb-03	7,872,993	1,355,591	17%	1,430	249,579	0.57%	9
Mar-03	6,165,980	1,256,767	20%	1,449	249,975	0.58%	9
Apr-03	4,822,467	1,217,218	25%	1,434	249,903	0.57%	9
May-03	2,777,727	863,182	31%	1,418	249,443	0.57%	9
Jun-03	1,965,382	714,335	36%	1,393	248,545	0.56%	9
Jul-03	1,706,685	650,499	38%	1,387	247,412	0.56%	9
Aug-03	1,732,651	690,795	40%	1,397	246,857	0.56%	9
Sep-03	1,900,585	748,547	39%	1,316	246,806	0.53%	9
Oct-03	3,368,232	976,916	29%	1,302	247,672	0.52%	9
Nov-03	4,700,276	1,048,761	22%	1,320	248,909	0.53%	9
Dec-03	6,924,135	1,235,206	18%	1,352	250,271	0.54%	7
<b>Total 2003</b>	<b>53,193,205</b>	<b>12,327,262</b>	<b>23%</b>	<b>1,386</b>	<b>248,702</b>	<b>0.55%</b>	
Jan-04	10,005,499	1,585,176	16%	1,417	251,069	0.56%	8
Feb-04	7,151,431	1,263,021	18%	1,438	251,608	0.57%	8
Mar-04	6,165,028	1,316,076	21%	1,462	251,934	0.58%	8
Apr-04	4,070,939	1,119,117	27%	1,470	251,977	0.58%	8
May-04	2,462,587	880,598	36%	1,455	251,654	0.57%	8

The data from Updated Appendix C show that the number of transportation customers increased on the NSTAR Gas system in 2001, largely because NSTAR Gas began to offer a non-daily metered service in accordance with the Model Terms and Conditions, which made transportation more economical for smaller customers. Specifically, the number of transportation customers was stable during 2000, averaging around 750, but increased early in 2001 reaching a high of about 1,580 in 2002. The number of customers fell throughout 2003, largely as a result of the exiting of one of the larger marketers from the system. Many of the exiting marketer's customers switched to other marketers, while some returned to merchant service from the Company.